

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 119637

66

ORIGIN EUR-25

INFO OCT-01 ADP-00 EB-11 L-03 FBO-01 RSC-01 /042 R

DRAFTED BY EUR/ SOV: JFMATLOCK/ JLCOLBERT

6/19/73 EXT.29369

APPROVED BY EUR: JAARMITAGE

EUR/ EX: LRUSSELL (SUB)

EB: JTARTTER

----- 000534

P 192251 Z JUN 73

FM SECSTATE WASHDC

TO AMEMBASSY MOSCOW PRIORITY

LIMITED OFFICIAL USE STATE 119637

E. O. 11652: GDS

TAGS: AFSP, ETRD, ABLD, UR

SUBJECT: NEW COMMERCIAL PROPERTY

REF: (A) MOSCOW 7171 (B) MOSCOW 7165

1. WE HAVE RAISED MATTER WITH KORNIENKO AND ARE ATTEMPTING TO DO SO WITH PATOLICHEV.

2. IN ANY SUBSEQUENT DISCUSSION WITH SOVIET AUTHORITIES, EMBASSY SHOULD MAINTAIN FOLLOWING POSITION:

- WE APPROVED THEIR PURCHASE OF PROPERTY IN WASHINGTON FOR THE SOVIET EMBASSY COMMERCIAL COUNSELOR'S OFFICE LAST OCTOBER, WITH THE UNDERSTANDING THEY WOULD FACILITATE OUR OBTAINING PROPERTY IN MOSCOW FOR OUR COMMERCIAL OFFICE.

- WE HAVE WAITED FOR OVER SIX MONTHS FOR SUITABLE PROPERTY TO BE OFFERED IN MOSCOW. WE WERE OFFERED PROPERTY LAST WEEK (JUNE 11) WHICH IS WELL LOCATED; AND WE ARE PLEASED THAT FINALLY PROPERTY WHICH HAS DEFINITE POSSIBILITIES MAY BECOME AVAILABLE.

- IT WOULD BE VERY HELPFUL IF WE COULD ANNOUNCE THIS WEEK THAT WE HAVE CONCLUDED A LEASE FOR A NEW COMMERCIAL OFFICE IN MOSCOW, TO BE OPENED AT AN EARLY DATE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 119637

- HOWEVER, IN NEGOTIATING THE LEASE, UPDK IS TAKING A TOTALLY UNREASONABLE POSITION, IN THAT THEY ARE TRYING TO EQUATE THE RENTAL CHARGE FOR THE EMBASSY'S COMMERCIAL OFFICE IN MOSCOW WITH THE RENT BEING PAID FOR THE KAMA PROCUREMENT COMMISSION OFFICE IN NEW YORK CITY. THIS POSITION IS COMPLETELY UNACCEPTABLE ON TWO GROUNDS:

(A) THERE IS NO JUSTIFICATION TO EQUATE THE COMMERCIAL OFFICE FOR THE AMERICAN EMBASSY WITH THE KAMA PROCUREMENT COMMISSION, A BUSINESS OFFICE. THE RECIPROCITY SHOULD APPLY AS BETWEEN THEIR NEW EMBASSY COMMERCIAL OFFICE IN WASHINGTON AND OUR EMBASSY OFFICE IN MOSCOW.

(B) OBVIOUSLY, RECIPROCITY DOES NOT APPLY IN THE FULL SENSE. IF WE INSISTED ON COMPLETE RECIPROCITY, WE WOULD BE ENTITLED TO DEMAND THE PURCHASE OF A SEPARATE BUILDING WITHIN TWO BLOCKS OF OUR EMBASSY. WE WANT TO BE REASONABLE, HOWEVER, AND EXPECT THEM TO BE REASONABLE. WE BELIEVE THAT THE ONLY APPLICABLE CRITERION AS TO RENTAL IS WHAT IS PAID FOR COMPARABLE PROPERTY IN MOSCOW.

- IF SOVIET GOVERNMENT AGREES THAT IT WILL BE USEFUL TO ANNOUNCE THIS WEEK THAT THE US IS OPENING A COMMERCIAL OFFICE IN MOSCOW, IT WILL BE NECESSARY TO CONCLUDE A LEASE PROVIDING FOR RENT ON THE BASIS OF MOSCOW RENTALS AND NOT THOSE IN SOME OTHER LOCATION. THIS WOULD BE FAIR AND EQUITABLE TREATMENT, AND WOULD DISCHARGE THE OBLIGATION WHICH THE SOVIET GOVERNMENT HAS TOWARD THE US GOVERNMENT WHEN THE LATTER APPROVED THE ACQUISITION BY THE SOVIET GOVERNMENT OF ITS NEW BUILDING IN WASHINGTON. ROGERS

LIMITED OFFICIAL USE

NNNNMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 19 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE119637
Document Source: CORE
Document Unique ID: 00
Drafter: JFMATLOCK/ JLCOLBERT
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: SECSTATE WASHDC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730623/aaaajfwt.tel
Line Count: 93
Locator: TEXT ON-LINE
Office: ORIGIN EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 MOSCOW 7171, 73 MOSCOW 7165
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 26 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Sep-2001 by martinml>; APPROVED <04-Dec-2001 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 980213
Subject: NEW COMMERCIAL PROPERTY
TAGS: ABLD, AFSP, ETRD, UR
To: MOSCOW
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005